10575-0040(1)

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Paper No. 33

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte PETER B. MADOFF, GLEN R. SHIPWAY, and ANDREW S. MARGOLIN

Appeal No. 2004-1344
Application No. 09/392,018

HEARD: NOVEMBER 16, 2004

Before JERRY SMITH, BARRETT, and RUGGIERO, Administrative Patent Judges.

RUGGIERO, Administrative Patent Judge.

DECISION ON APPEAL

This is a decision on the appeal from the final rejection of claims 1-30 and 32-34, which are all of the claims pending in the present application. Claim 31 has been canceled.

The claimed invention relates to the determination of an opening price for a product traded in a trading system. Upon receipt of orders for the product, which specify quantity and whether the order is a buy or sell order, an imbalance condition between received buy orders and received sell orders is

determined. An allocation message is thereafter posted to market participants indicating the market participants' expected allocation of the imbalance. The expected allocation is intended for execution by the market participant on the side of the imbalance in the event that the imbalance exists at the opening.

Claim 1 is illustrative of the invention and reads as follows:

> 1. A method of determining an opening price for a product traded in a trading system, the method executed over a distributed network computer system, said method comprising:
>
> receiving orders from customers for the product, the orders specifying a quantity and whether the order is a buy or sell order;
>
> determining an imbalance condition between received buy orders and received sell orders for the product; and
>
> posting an allocation message to market marker participants to communicate the market marker participants' expected allocations of the imbalance for execution by the market marker participants at an initial opening of the market on the side of the imbalance in the event that the imbalance exists at the opening.

The Examiner relies on the following prior art:

Rickard et al. (Rickard)	6,016,483	Jan. 18, 2000 (filed Sep. 20, 1996)

Claims 1, 11, 21, and 32 stand finally rejected under 35 U.S.C. § 112, second paragraph, as failing to particularly

point out and distinctly claim the invention. Claims 1-5, 10-15, and 18-30 stand finally rejected under 35 U.S.C. § 102(e) as being anticipated by Rickard. Claims 6-9, 16, 17, and 32-34 stand finally rejected under 35 U.S.C. § 103(a) as being unpatentable over Rickard.

Rather than reiterate the arguments of Appellants and the Examiner, reference is made to the Briefs[1] and Answer for the respective details.

OPINION

We have carefully considered the subject matter on appeal, the rejections advanced by the Examiner, the arguments in support of the rejections and the evidence of anticipation and obviousness relied upon by the Examiner as support for the prior art rejections. We have, likewise, reviewed and taken into consideration, in reaching our decision, Appellants' arguments set forth in the Briefs along with the Examiner's rationale in support of the rejections and arguments in rebuttal set forth in the Examiner's Answer.

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[1] The Appeal Brief was filed April 15, 2003 (Paper No. 24). In response to the Examiner's Answer dated July 15, 2003 (Paper No. 26), a Reply Brief was filed September 10, 2003 (Paper No. 27), which was acknowledged and entered by the Examiner as indicated in the communication dated October 15, 2003 (Paper No. 29).

It is our view, after consideration of the record before us, that the claims particularly point out the invention in a manner which complies with 35 U.S.C. § 112, second paragraph. We are also of the view that the Rickard reference does not fully meet the invention as set forth in claims 1-5, 10-15, and 18-30. We are further of the opinion that the evidence relied upon and the level of skill in the particular art would not have suggested to one of ordinary skill in the art the obviousness of the invention as recited in claims 6-9, 16, 17, and 32-34. Accordingly, we reverse.

We consider first the Examiner's 35 U.S.C. § 112, second paragraph, rejection of claims 1, 11, 21, and 32 as failing to particularly point out and distinctly claim the invention. We note that the general rule is that a claim must set out and circumscribe a particular area with a reasonable degree of precision and particularity when read in light of the disclosure as it would be by the artisan. In re Moore, 439 F.2d 1232, 1235, 169 USPQ 236, 238 (CCPA 1971). Acceptability of the claim language depends on whether one of ordinary skill in the art

would understand what is claimed in light of the specification. Seattle Box Co. v. Industrial Crating & Packing, Inc., 731 F.2d 818, 826, 221 USPQ 568, 574 (Fed. Cir. 1984).

Although the Examiner has asserted (Answer, page 3) that the rejected claims improperly omit a step essential to the claimed invention, i.e., the determination of an opening price, we do not find this position to be persuasive. We agree with Appellants (Brief, pages 9 and 10) that while the preamble of each the rejected claims does indeed recite the determination of an opening price for a product, it is not necessary that a positively recited step of determining an opening price be included in the claim. As pointed out by Appellants (id.), the recited claim steps set forth a procedure for attracting trading interest to efficiently handle trading imbalances which enable an opening price to be determined at market opening. While the claims are undoubtedly broader without a positive recitation of opening price determination than they would be if such a recitation were included, no uncertainty or lack of specificity exists as asserted by the Examiner. The breadth of a claim is not to be equated with indefiniteness. In re Miller, 441 F.2d 689, 693, 169 USPQ 597, 600 (CCPA 1971).

It is our view that the skilled artisan, having considered the specification in its entirety, would have no difficulty ascertaining the scope of the invention recited in claims 1, 11, 21, and 32. Therefore, the rejection of claims 1, 11, 21, and 32 under the second paragraph of 35 U.S.C. § 112 is not sustained.

Turning to a consideration of the Examiner's rejection of claims 1-5, 10-15, and 18-30 under 35 U.S.C. § 102(e) as being anticipated by Rickard, we do not sustain this rejection as well. Anticipation is established only when a single prior art reference discloses, expressly or under the principles of inherency, each and every element of a claimed invention as well as disclosing structure which is capable of performing the recited functional limitations. RCA Corp. v. Applied Digital Data Sys., Inc., 730 F.2d 1440, 1444, 221 USPQ 385, 388 (Fed. Cir.), cert. dismissed, 468 U.S. 1228 (1984); W.L. Gore & Assocs. v. Garlock, Inc., 721 F.2d 1540, 1554, 220 USPQ 303, 313 (Fed. Cir. 1983), cert. denied, 469 U.S. 851 (1984).

With respect to independent claims 1, 11, and 21, the Examiner attempts to read the various limitations on the disclosure of Rickard. In particular, the Examiner directs

attention to the portions of Rickard at column 6, line 46 through column 7, line 47, column 10, lines 40-54, and column 11, lines 19-25.

Appellants' arguments in response assert a failure of Rickard to disclose every limitation in independent claims 1, 11, and 21 as is required to support a rejection based on anticipation. Appellants' arguments (Brief, pages 10 and 11; Reply Brief, pages 1 and 2) focus on the contention that, in contrast to the claimed invention, Rickard lacks a teaching or suggestion of posting a message to market maker participants which communicates the market maker participants' expected allocations of imbalances at initial market opening in the event such balances exist at the opening.

After reviewing the Rickard reference in light of the arguments of record, we are in general agreement with Appellants' position as expressed in the Briefs. Our interpretation of the disclosure of Rickard coincides with that of Appellants, i.e., the assignment of the allocation of imbalances in Rickard is performed after the opening price has been determined and imbalances are found to exist. In our view, to the extent that this assigned allocation may be considered a message that is

communicated to market maker participants, the nature of the message does not correspond to that which is claimed, i.e., such message does not indicate an anticipated or expected allocation of imbalances on the condition that such balances do in fact exist at market opening.

In view of the above discussion, since all of the claim limitations are not present in the disclosure of Rickard, we do not sustain the Examiner's 35 U.S.C. § 102(e) rejection of independent claims 1, 11, and 21, nor of claims 2-5, 10, 12-15, 18-20, and 22-30 dependent thereon.

We also do not sustain the Examiner's 35 U.S.C. § 103(a) rejection of claims 6-9, 16, 17, and 32-34 based on Rickard. Although the Examiner has set forth a line of reasoning (Answer, pages 11-13) asserting the obviousness of the claimed "lock-in period" set forth in dependent claims 6-9, 16, and 17, these claims are ultimately dependent on independent claims 1 and 11 which contain the "expected allocations of the imbalance" message feature we found to be lacking of any teaching or suggestion in Rickard. Similarly, although the Examiner has asserted (answer, pages 13-18) the obviousness of the posting of messages over

first and second plurality of intervals of time as set forth in independent claim 32 (and its dependent claims 33 and 34), the "expected allocations of the imbalance" message feature also appears in independent claim 32.

In summary, we have not sustained any of the Examiner's rejections of the claims on appeal. Therefore, the decision of the Examiner rejecting claims 1-30 and 32-34 is reversed.

REVERSED

JERRY SMITH)
Administrative Patent Judge)
)
LEE E. BARRETT) BOARD OF PATENT
Administrative Patent Judge) APPEALS AND
) INTERFERENCES
)
JOSEPH F. RUGGIERO)
Administrative Patent Judge)

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